

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:4117
ANSWERED ON:09.12.2016
Mutual Agreement Procedure
Boianapalli Shri Vinod Kumar

Will the Minister of FINANCE be pleased to state:

- a) Whether the Government proposes to disclose the number of disputes being negotiated under the Mutual Agreement Procedures (MAPs) of tax treaties along with the time being taken to resolve such disputes;
- b) if so, the details thereof; and
- c) the extent to which the said disclosure is likely to bring about greater transparency, improve the dispute resolution mechanism and promote the global initiative on Base Erosion and Profit Sharing (BEPS)?

Answer

- a) Yes, Madam. Action 14 of the Base Erosion and Profit Shifting (BEPS) project of the G-20/OECD countries, which seeks to make dispute resolution mechanisms more effective, mandates that all participating countries shall provide details pertaining to tax disputes being negotiated under the Mutual Agreement Procedure (MAP) Article of tax treaties.
- b) The details are to be provided in agreed upon templates to capture information about inventory of cases and outcomes of cases. Such details would include the number of cases pending under MAP, number of cases resolved fully to eliminate double taxation, number of cases that could not be resolved, etc.
- c) Disclosure of such information is expected to bring about more transparency in the working of competent authorities of all participating countries and would perhaps result in quicker resolution of double taxation problems faced by taxpayers across the globe.